

NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

SENATE BILL 08-217

BY SENATOR(S) Hagedorn, Johnson, Boyd, Gibbs, Groff, Isgar, Keller, Mitchell S., Morse, Romer, Schwartz, Tapia, Tochtrop, Williams, and Windels;
also REPRESENTATIVE(S) McGihon and Massey, Roberts, Rice, and Stafford.

CONCERNING THE FRAMEWORK FOR DEVELOPING THE CENTENNIAL CARE CHOICES PROGRAM TO REFORM THE HEALTH CARE SYSTEM IN COLORADO, AND MAKING AN APPROPRIATION THEREFOR.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Part 1 of article 1 of title 25.5, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

25.5-1-125. Centennial care choices - value benefit plans - request for information - request for proposals - report to general assembly - definitions - legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

(a) THE BLUE RIBBON COMMISSION FOR HEALTH CARE REFORM, ESTABLISHED PURSUANT TO SECTION 10-16-131, C.R.S., AS IT EXISTED PRIOR TO JULY 1, 2008, SUBMITTED ITS RECOMMENDATIONS TO THE GENERAL

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

ASSEMBLY IN JANUARY 2008, REGARDING COMPREHENSIVE PROPOSALS TO REFORM HEALTH CARE IN COLORADO, INCLUDING METHODS TO REDUCE OR ELIMINATE COLORADO'S UNINSURED POPULATION;

(b) THE GENERAL ASSEMBLY RECOGNIZES THAT WHILE COMPREHENSIVE HEALTH CARE REFORM IS A LAUDABLE GOAL, THE STATE LACKS THE FINANCIAL RESOURCES TO FULLY SOLVE ALL THE PROBLEMS FACING THIS STATE'S HEALTH CARE SYSTEM;

(c) IT IS ALSO CRITICAL THAT THE STATE MAXIMIZE FEDERAL FUNDS FOR MEDICAL ASSISTANCE PROGRAMS SO AS TO PROVIDE SERVICES AND ACCESS TO HEALTH CARE TO THE STATE'S NEEDY POPULATION;

(d) COLORADO CANNOT WAIT TO ADDRESS THE CURRENT PROBLEMS RELATED TO THE DELIVERY OF AFFORDABLE HEALTH CARE TO RESIDENTS OF THE STATE, AND IT IS THEREFORE CRITICAL TO START THE PROCESS TOWARD DEVELOPING A BALANCED PARTNERSHIP BETWEEN PRIVATE AND PUBLIC SECTORS IN COLORADO TO BEGIN TO PROVIDE AFFORDABLE HEALTH INSURANCE TO THOSE WHO ARE UNINSURED;

(e) TO THAT END, THIS SECTION CREATES THE OPPORTUNITY FOR HEALTH INSURANCE CARRIERS AND OTHER INTERESTED PARTIES, INCLUDING THE STATE OF COLORADO, TO DEVELOP AND OFFER TO INDIVIDUALS THROUGHOUT THE STATE AN AFFORDABLE, BASELINE HEALTH INSURANCE PRODUCT, REPRESENTING THE MINIMUM BENEFITS PACKAGE FOR THE STATE'S INDIVIDUAL MARKET, THAT IS NOT CURRENTLY AVAILABLE IN THE INDIVIDUAL MARKET, TO PROVIDE ACCESS TO HEALTH CARE COVERAGE FOR THE STATE'S UNINSURED POPULATION;

(f) IN ADDITION, THE STATE DEPARTMENT, IN COORDINATION WITH THE DIVISION OF INSURANCE AND THE PANEL OF EXPERT ADVISORS APPOINTED BY THE GOVERNOR PURSUANT TO THIS SECTION, IS URGED TO CONDUCT THE REQUEST FOR INFORMATION PROCESS EXPEDITIOUSLY AND TO SUBMIT ITS REPORTS TO THE LEGISLATIVE COMMITTEES EARLIER THAN THE DATES SPECIFIED IN THIS SECTION, BUT IN NO CASE LATER THAN THOSE DATES, SO AS TO AFFORD THE GENERAL ASSEMBLY SUFFICIENT TIME TO CONSIDER THE REPORTS AND TAKE ANY LEGISLATIVE ACTION THE GENERAL ASSEMBLY MAY DEEM APPROPRIATE DURING THE 2009 LEGISLATIVE SESSION; AND

(g) THE APPROPRIATION AND EXPENDITURE OF STATE GENERAL FUND MONEYS TO IMPLEMENT THIS SECTION SHALL NOT EXCEED ONE HUNDRED TWENTY-EIGHT THOUSAND SEVEN HUNDRED DOLLARS, AND IF THE STATE COSTS TO IMPLEMENT THE REQUIREMENTS OF THIS SECTION EXCEED SUCH AMOUNT, THE STATE DEPARTMENT SHALL SOLICIT GIFTS, GRANTS, AND DONATIONS TO COVER ANY STATE COSTS THAT EXCEED SUCH APPROPRIATED AMOUNT.

(2) (a) (I) THE STATE DEPARTMENT, IN COORDINATION WITH THE DIVISION OF INSURANCE AND A PANEL OF EXPERT ADVISORS APPOINTED BY THE GOVERNOR BY JULY 1, 2008, WHICH SHALL INCLUDE PERSONS WITH EXPERTISE IN ACTUARIAL SCIENCES, PERSONS WITH EXPERTISE IN DESIGNING HEALTH BENEFIT PLANS, PERSONS EXPERIENCED IN THE IMPLEMENTATION AND MANAGEMENT OF HEALTH BENEFIT PLANS, PERSONS WITH EXPERTISE IN DISABILITY ISSUES, PERSONS WITH EXPERTISE REGARDING LONG TERM CARE, CONSUMERS, AND PERSONS REPRESENTING HEALTH CARE PROVIDERS, SHALL PREPARE A REQUEST FOR INFORMATION TO BE ISSUED TO HEALTH INSURANCE CARRIERS AND OTHER INTERESTED PARTIES, INCLUDING THE STATE OF COLORADO, REGARDING THE DEVELOPMENT OF THE CENTENNIAL CARE CHOICES PROGRAM, AS DESCRIBED IN THIS SECTION. THE STATE DEPARTMENT AND DIVISION SHALL BEGIN PREPARING THE REQUEST FOR INFORMATION BY JULY 1, REGARDLESS OF WHETHER THE PANEL HAS BEEN APPOINTED BY THAT DATE. IF THE GOVERNOR FAILS TO APPOINT THE PANEL OF EXPERT ADVISORS BY JULY 1, 2008, THEN THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL BE RESPONSIBLE FOR APPOINTING THE PANEL OF EXPERT ADVISORS AND SHALL EACH APPOINT AT LEAST FIVE EXPERT ADVISORS MEETING THE CRITERIA SPECIFIED IN THIS SUBPARAGRAPH (I) BY JULY 15, 2008. THE REQUEST FOR INFORMATION SHALL REQUEST INTERESTED HEALTH INSURANCE CARRIERS AND OTHER INTERESTED PARTIES, INCLUDING THE STATE OF COLORADO, TO PROVIDE INFORMATION REGARDING:

(A) THE DESIGN OF AND BENEFITS INCLUDED IN VALUE BENEFIT PLANS, REFERRED TO IN THIS SECTION AS VBPs, TO BE OFFERED IN THE INDIVIDUAL MARKET WITH A BENCHMARK STANDARD OF APPROXIMATELY EIGHTY PERCENT OF THE ACTUARIAL VALUE OF A PREFERRED PROVIDER ORGANIZATION PLAN OFFERED TO EMPLOYEES OF THE STATE OF COLORADO AT THE TIME THE REQUEST FOR INFORMATION IS ISSUED, AS SPECIFIED IN THE REQUEST FOR INFORMATION. IN ADDITION, THE STATE DEPARTMENT, WITH ASSISTANCE FROM THE DIVISION AND THE PANEL, MAY DEVELOP AND

INCLUDE A REQUEST FOR INFORMATION ABOUT ADDITIONAL BENCHMARK STANDARDS IN THE REQUEST FOR INFORMATION PROCESS.

(B) THE PERCENTAGE DIFFERENTIAL IN RATES FOR VBPs IF ALL COLORADO RESIDENTS ARE REQUIRED TO OBTAIN CREDITABLE COVERAGE AND IF NO SUCH INDIVIDUAL MANDATE IS IMPOSED.

(II) EXCEPT AS AUTHORIZED IN THIS SECTION, THE REQUEST FOR INFORMATION SHALL NOT SPECIFY BENEFITS OR OTHER DETAILS TO BE INCLUDED IN THE PROPOSED VBP. IN DEVELOPING THE REQUEST FOR INFORMATION, THE STATE DEPARTMENT, IN COORDINATION WITH THE DIVISION AND THE PANEL, SHALL CONSIDER THE POTENTIAL RISKS OF ADVERSE SELECTION, CROWD OUT, AND OTHER FACTORS THAT MAY DESTABILIZE THE SMALL GROUP AND INDIVIDUAL MARKETS AS A RESULT OF OFFERING VBPs IN THE INDIVIDUAL MARKET.

(b) IN RESPONDING TO THE REQUEST FOR INFORMATION, A HEALTH INSURANCE CARRIER OR OTHER INTERESTED PARTY SHALL ASSUME THE FOLLOWING:

(I) THAT A VBP WILL, AT A MINIMUM:

(A) INCLUDE BENEFITS FOR PRIMARY AND PREVENTIVE CARE AND PARTICIPATION IN WELLNESS PROGRAMS AND INCENTIVES FOR PLAN PARTICIPANTS TO ENGAGE IN HEALTHY BEHAVIOR;

(B) PROVIDE THE LOWEST LEVEL OF BENEFITS THAT MAY BE OFFERED IN THE STATE'S INDIVIDUAL MARKET;

(C) ENCOURAGE THE USE OF HEALTH INFORMATION TECHNOLOGY AND TELEMEDICINE, INCLUDING, WITHOUT LIMITATION, HEALTH INFORMATION EXCHANGE, ELECTRONIC HEALTH RECORDS, AND ELECTRONIC PRESCRIPTIONS;

(D) ENCOURAGE THE USE OF A PAY-FOR-PERFORMANCE SYSTEM FOR REIMBURSING HEALTH CARE PROVIDERS, WHERE APPROPRIATE;

(E) PROVIDE CONSUMERS WITH EDUCATIONAL MATERIALS REGARDING HOW TO ACCESS INTERNET-BASED HEALTH CARE TOOLS;

(F) SPECIFY AN ADEQUATE NETWORK OF PROVIDERS AVAILABLE UNDER THE VBP;

(G) ENCOURAGE THE USE OF REGIONAL NETWORKS OF HOSPITALS, PHYSICIANS, COMMUNITY HEALTH CENTERS AND OTHER SAFETY NET PROVIDERS, AND OTHER HEALTH CARE PROFESSIONALS, INCLUDING, BUT NOT LIMITED TO, HOSPICE AND PALLIATIVE CARE PROVIDERS, WHERE AVAILABLE, AND INNOVATIVE OR COLLABORATIVE EFFORTS WITHIN COMMUNITIES FOR THE PROVISION OF HEALTH CARE SERVICES;

(H) INCLUDE OPTIONAL COVERAGE CHOICES FOR PURCHASE BY CONSUMERS TO ADD TO THEIR VBPs AND THE ESTIMATED CONSUMER COST FOR EACH PARTICULAR COVERAGE OPTION;

(I) LIMIT THE DEMOGRAPHIC CHARACTERISTICS USED BY HEALTH INSURANCE CARRIERS IN DETERMINING PREMIUM RATES TO THE AGE OF THE INDIVIDUALS TO BE COVERED UNDER THE VBP AND THE GEOGRAPHIC LOCATION OF THE POLICYHOLDER;

(J) SPECIFY PREMIUM LEVELS FOR EACH VBP BY AGE GROUP, REGION BY REGION;

(K) BE OFFERED STATEWIDE AND ISSUED TO ANY COLORADO RESIDENT ELIGIBLE PURSUANT TO THE TERMS OF THE APPROVED VBP WHO AGREES TO MAKE THE PREMIUM PAYMENTS REQUIRED FOR THAT PERSON;

(L) ALLOW FOR THE PAYMENT OF ALL OR A PORTION OF THE COVERED PERSON'S PREMIUM FROM A STATE-PAID PREMIUM SUBSIDY, IF MADE AVAILABLE BY THE STATE FOR LOW-INCOME INDIVIDUALS AND FAMILIES; AND

(M) NOT DESTABILIZE THE EXISTING SMALL GROUP AND INDIVIDUAL MARKETS OR THE COVERCOLORADO PROGRAM.

(II) THAT THE STATE MAY IMPOSE A REQUIREMENT THAT ALL COLORADANS OBTAIN CREDITABLE COVERAGE, EITHER THROUGH A STATE-SANCTIONED VBP, ANOTHER HEALTH INSURANCE PRODUCT AVAILABLE IN THE PRIVATE MARKET FOR INDIVIDUALS OR GROUPS, PARTICIPATION IN A STATE OR FEDERAL PROGRAM PROVIDING BENEFITS OR COVERAGE FOR HEALTH CARE, OR ANY OTHER CREDITABLE COVERAGE;

(III) THAT THE STATE WILL ESTABLISH A MECHANISM TO ENFORCE THE REQUIREMENT THAT ALL COLORADO RESIDENTS OBTAIN CREDITABLE COVERAGE THROUGH THE STATE TAX LAWS, IF SUCH REQUIREMENT IS IMPOSED;

(IV) THAT A VBP WILL BE THE MINIMUM BENEFITS PACKAGE AVAILABLE IN THE STATE'S INDIVIDUAL MARKET;

(V) THAT THE STATE WILL CREATE A SLIDING SCALE PREMIUM SUBSIDY PROGRAM TO ASSIST LOW-INCOME INDIVIDUALS AND FAMILIES IN PAYING THE PREMIUM COSTS FOR HEALTH INSURANCE;

(VI) THAT THE STATE WILL AMEND THE STATE PLAN TO EXPAND ELIGIBILITY FOR THE COLORADO MEDICAL ASSISTANCE PROGRAM TO ADULTS WHOSE FAMILY INCOME DOES NOT EXCEED ONE HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL, ADJUSTED FOR FAMILY SIZE; AND

(VII) THAT THE STATE WILL CREATE A DEDICATED SOURCE OF REVENUE, IF NECESSARY, TO FUND THE PREMIUM SUBSIDY PROGRAM OR OTHER NEW STATE COSTS.

(3) (a) BY DECEMBER 15, 2008, THE STATE DEPARTMENT, IN COORDINATION WITH THE DIVISION AND THE PANEL, SHALL SUBMIT A PROGRESS REPORT TO THE LEGISLATIVE COMMITTEES. THE PROGRESS REPORT SHALL PROVIDE AN UPDATE ON THE STATUS OF THE REQUEST FOR INFORMATION PROCESS.

(b) ON OR BEFORE MARCH 1, 2009, THE STATE DEPARTMENT, IN COORDINATION WITH THE DIVISION AND THE PANEL, SHALL SUBMIT A FINAL REPORT TO THE LEGISLATIVE COMMITTEES. PRIOR TO SUBMITTING THE FINAL REPORT, THE STATE DEPARTMENT, IN COORDINATION WITH THE DIVISION AND THE PANEL, SHALL ACQUIRE RELEVANT ACTUARIAL PROJECTIONS AND RESEARCH POTENTIAL COST SAVINGS. THE FINAL REPORT SHALL DETAIL THE RESULTS OF THE REQUEST FOR INFORMATION PROCESS AND THE ACTUARIAL AND COST SAVINGS RESEARCH, INCLUDING A DETAILED SUMMARY OF THE INFORMATION SUBMITTED BY HEALTH INSURANCE CARRIERS AND OTHER INTERESTED PARTIES AND AN EVALUATION AND ANALYSIS OF THE RESULTS OF THE REQUEST FOR INFORMATION PROCESS. IN ADDITION, THE FINAL REPORT SHALL INCLUDE INFORMATION REGARDING ANY LEGISLATION THAT WOULD BE REQUIRED SHOULD THE GENERAL ASSEMBLY PROCEED TO

IMPLEMENT THE CENTENNIAL CARE CHOICES PROGRAM, VBPs, AND A PREMIUM SUBSIDY PROGRAM, IF APPLICABLE, AND COST PROJECTIONS REGARDING THE FUNDING NEEDED TO IMPLEMENT THE PROGRAM.

(c) AFTER RECEIPT OF THE FINAL REPORT, THE LEGISLATIVE COMMITTEES, MEETING JOINTLY, SHALL CONSIDER THE INFORMATION INCLUDED IN THE FINAL REPORT AND DETERMINE WHETHER TO PROCEED WITH THE CENTENNIAL CARE CHOICES PROGRAM AND WHETHER TO RECOMMEND LEGISLATION TO THE GENERAL ASSEMBLY THAT IS NECESSARY TO:

(I) IMPLEMENT THE CENTENNIAL CARE CHOICES PROGRAM, VBPs, AND A PREMIUM SUBSIDY PROGRAM; AND

(II) CREATE A FUNDING SOURCE TO FUND A PREMIUM SUBSIDY PROGRAM OR OTHER COSTS OF THE CENTENNIAL CARE CHOICES PROGRAM.

(d) IF THE LEGISLATIVE COMMITTEES RECOMMEND LEGISLATION TO THE GENERAL ASSEMBLY TO IMPLEMENT THE CENTENNIAL CARE CHOICES PROGRAM, INCLUDING THE AUTHORIZATION FOR THE DEVELOPMENT OF VBPs, THE CREATION OF A PREMIUM SUBSIDY PROGRAM, AND THE CREATION OF A FUNDING SOURCE, THE RECOMMENDATION SHOULD SPECIFY INCLUSION OF THE FOLLOWING ELEMENTS IN THE LEGISLATION:

(I) STANDARDS THAT VBPs MUST SATISFY IN ORDER TO BE CERTIFIED BY THE STATE DEPARTMENT AND THE DIVISION AND AUTHORIZED TO BE OFFERED TO COLORADO RESIDENTS BY ANY HEALTH INSURANCE CARRIER, REGARDLESS OF WHETHER THE HEALTH INSURANCE CARRIER DEVELOPED THE VBP IN RESPONSE TO THE REQUEST FOR PROPOSALS, AS LONG AS THE HEALTH INSURANCE CARRIER OFFERS A VBP THAT MEETS SUCH STANDARDS AND THE REQUIREMENTS OF THIS SECTION;

(II) CREATION OF A PROCESS FOR PERIODIC REVIEW OF VBPs;

(III) CREATION OF A CONSUMER ADVISORY COUNCIL FOR THE CENTENNIAL CARE CHOICES PROGRAM;

(IV) A MECHANISM TO ENCOURAGE THE USE OF EVIDENCE-BASED MEDICINE THROUGH CREATION OF A PATIENT SAFETY COUNCIL TO EVALUATE PATIENT CARE WITH THE GOALS OF IMPROVING QUALITY OF CARE AND

MINIMIZING MEDICAL CARE MISTAKES;

(V) AUTHORIZATION FOR THE STATE DEPARTMENT AND THE DIVISION TO ESTABLISH HEALTH MARTS THROUGH WHICH AN INDIVIDUAL ELIGIBLE FOR A STATE SUBSIDY, IF CREATED, MAY SELECT A VBP THAT BEST MEETS HIS OR HER NEEDS; AND

(VI) IF THE FUNDING SOURCE WOULD BE CREATED THROUGH A NEW OR INCREASED TAX OR TAX RATE, A BALLOT QUESTION TO SEEK VOTER APPROVAL AT A FUTURE GENERAL ELECTION FOR THE REVENUE SOURCE.

(4) (a) IF THE GENERAL ASSEMBLY ENACTS LEGISLATION TO CREATE THE CENTENNIAL CARE CHOICES PROGRAM, INCLUDING AUTHORIZATION FOR THE DEVELOPMENT OF VBPs, THE CREATION OF A PREMIUM SUBSIDY PROGRAM, AND THE CREATION OF A FUNDING SOURCE, THE STATE DEPARTMENT, IN COORDINATION WITH THE DIVISION AND THE PANEL, SHALL DETERMINE WHETHER A FUNDING SOURCE HAS BEEN IDENTIFIED TO FUND THE CENTENNIAL CARE CHOICES PROGRAM. IF A FUNDING SOURCE HAS BEEN IDENTIFIED AND APPROVED BY THE VOTERS, IF NECESSARY, THE STATE DEPARTMENT MAY DEVELOP A REQUEST FOR PROPOSALS TO BE ISSUED TO INTERESTED HEALTH INSURANCE CARRIERS AND OTHER INTERESTED PARTIES, INCLUDING THE STATE OF COLORADO. THE REQUEST FOR PROPOSALS SHALL REQUEST INTERESTED PARTIES TO SUBMIT PROPOSALS FOR PLAN DESIGNS FOR VBPs TO BE OFFERED IN THE INDIVIDUAL MARKET, WHICH SHALL BE BASED ON THE PARAMETERS OUTLINED IN SUBSECTION (2) OF THIS SECTION IN THE REQUEST FOR INFORMATION, AS MODIFIED BY ANY LEGISLATION ENACTED BY THE GENERAL ASSEMBLY PURSUANT TO THIS SECTION.

(b) PRIOR TO ISSUING A REQUEST FOR PROPOSALS, THE STATE DEPARTMENT, IN CONSULTATION WITH THE DIVISION AND THE PANEL, AND BASED ON THE INFORMATION OBTAINED THROUGH THE REQUEST FOR INFORMATION PROCESS AND ANY OTHER RELEVANT INFORMATION, SHALL DEVELOP A BENCHMARK PRICE OR AFFORDABILITY STANDARD FOR VBPs TO ENSURE THAT ELIGIBLE INDIVIDUALS CAN AFFORD TO PURCHASE VBPs THAT ARE DEVELOPED BY INTERESTED PARTIES.

(c) THE STATE DEPARTMENT SHALL INCLUDE THE SAME ASSUMPTIONS IN THE REQUEST FOR PROPOSALS THAT WERE INCLUDED IN THE REQUEST FOR INFORMATION PURSUANT TO SUBSECTION (2) OF THIS SECTION AND SHALL MODIFY THOSE ASSUMPTIONS TO THE EXTENT NECESSARY TO

CONFORM TO ANY LEGISLATION ENACTED BY THE GENERAL ASSEMBLY PURSUANT TO THIS SECTION.

(5) THE STATE DEPARTMENT SHALL ENSURE THAT THE REQUEST FOR INFORMATION AND REQUEST FOR PROPOSALS PROCESSES ENCOURAGE COLLABORATION AND NEGOTIATION BETWEEN THE INTERESTED PARTIES RESPONDING TO THE REQUESTS AND THE STATE DEPARTMENT, DIVISION, AND PANEL REGARDING THE PRICE FOR AND BENEFITS INCLUDED IN VBPs.

(6) A HEALTH INSURANCE CARRIER OR OTHER INTERESTED PARTY SHALL NOT BE REQUIRED TO HAVE A CERTIFICATE OF AUTHORITY ISSUED BY THE COMMISSIONER OF INSURANCE PURSUANT TO SECTION 10-3-105, C.R.S., IN ORDER TO RESPOND TO THE REQUEST FOR INFORMATION OR REQUEST FOR PROPOSALS, BUT THE HEALTH INSURANCE CARRIER OR OTHER INTERESTED PARTY SHALL BE ALLOWED TO OFFER AN APPROVED VBP TO ELIGIBLE COLORADO RESIDENTS ONLY IF THE PARTY OBTAINS A CERTIFICATE OF AUTHORITY TO TRANSACT THE BUSINESS OF INSURANCE IN THIS STATE PRIOR TO OFFERING THE VBP.

(7) A HEALTH INSURANCE CARRIER OR OTHER INTERESTED PARTY THAT SUBMITS INFORMATION OR A PROPOSAL IN RESPONSE TO THE REQUEST FOR INFORMATION OR THE REQUEST FOR PROPOSALS, RESPECTIVELY, SHALL NOT BE OBLIGATED TO OFFER A VBP IF, AFTER SUBMISSION OF INFORMATION OR A PROPOSAL, THE GENERAL ASSEMBLY, BY BILL, MODIFIES THE DESIGN OF THE VBP.

(8) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO ESTABLISH A REQUIREMENT FOR INDIVIDUALS TO PURCHASE HEALTH INSURANCE OR TO PRECLUDE OR LIMIT THE ABILITY OF THE GENERAL ASSEMBLY TO USE INFORMATION OBTAINED THROUGH THE REQUEST FOR INFORMATION TO ENACT REFORMS THAT DO NOT INCLUDE SUCH A REQUIREMENT.

(9) AS USED IN THIS SECTION:

(a) "COLORADO MEDICAL ASSISTANCE PROGRAM" MEANS THE PROGRAM ESTABLISHED IN THE "COLORADO MEDICAL ASSISTANCE ACT", ARTICLES 4, 5, AND 6 OF THIS TITLE.

(b) "COVERCOLORADO PROGRAM" MEANS THE PROGRAM CREATED IN PART 5 OF ARTICLE 8 OF TITLE 10, C.R.S.

(c) "CREDITABLE COVERAGE" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION 10-16-102, C.R.S.

(d) "DIVISION OF INSURANCE" OR "DIVISION" MEANS THE DIVISION OF INSURANCE IN THE DEPARTMENT OF REGULATORY AGENCIES.

(e) "HEALTH INSURANCE CARRIER" SHALL HAVE THE SAME MEANING AS "CARRIER", AS DEFINED IN SECTION 10-16-102, AND SHALL INCLUDE A CARRIER THAT IS NOT CURRENTLY PROVIDING HEALTH COVERAGE IN THE STATE OR THAT DOES NOT, AT THE TIME THE REQUEST FOR INFORMATION OR REQUEST FOR PROPOSALS IS ISSUED, HAVE A CERTIFICATE OF AUTHORITY FROM THE COMMISSIONER OF INSURANCE PURSUANT TO SECTION 10-3-105, C.R.S.

(f) "INTERESTED PARTY" MEANS A PERSON OR ENTITY THAT POSSESSES APPLICABLE ACTUARIAL EXPERTISE AND HAS ADMINISTERED OR HAS THE CAPACITY TO ADMINISTER A HEALTH INSURANCE PROGRAM.

(g) "LEGISLATIVE COMMITTEES" MEANS THE HEALTH AND HUMAN SERVICES COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES.

(h) "PANEL" MEANS THE PANEL OF EXPERT ADVISORS APPOINTED BY THE GOVERNOR PURSUANT TO SUBSECTION (2) OF THIS SECTION.

(i) "VALUE BENEFIT PLAN" OR "VBP" MEANS A POLICY, CONTRACT, CERTIFICATE, OR AGREEMENT TO PROVIDE, DELIVER, ARRANGE FOR, PAY FOR, OR REIMBURSE THE COSTS OF HEALTH CARE SERVICES THAT IS DEVELOPED IN RESPONSE TO THE REQUEST FOR PROPOSALS ISSUED PURSUANT TO THIS SECTION.

SECTION 2. Appropriation -- adjustment to the 2008 long bill.

(1) In addition to any other appropriation, there is hereby appropriated, to the department of health care policy and financing, for allocation to the executive director's office, general professional services and special projects, for the fiscal year beginning July 1, 2008, the sum of one hundred ninety-one thousand two hundred dollars (\$191,200), or so much thereof as may be necessary, for the implementation of this act. Of said sum, one hundred twenty-eight thousand seven hundred dollars (\$128,700) shall be from the general fund and sixty-two thousand five hundred dollars

(\$62,500) shall be cash funds from gifts, grants, and donations. In addition to said appropriation, the general assembly anticipates that the department of health care policy and financing will receive one hundred ninety-one thousand two hundred dollars (\$191,200) federal funds in the fiscal year beginning July 1, 2008, for the implementation of this act. Although the federal funds are not appropriated in this act, they are noted for the purpose of indicating the assumptions used relative to these funds in developing state appropriation amounts.

(2) In addition to any other appropriation, there is hereby appropriated, to the department of regulatory agencies, division of insurance, for the fiscal year beginning July 1, 2008, the sum of twenty-nine thousand five hundred dollars (\$29,500) cash funds, or so much thereof as may be necessary, for the implementation of this act. Said sum, shall be from the division of insurance cash fund created in section 10-1-103 (3), Colorado Revised Statutes.

(3) For the implementation of this act, the general fund appropriation to the controlled maintenance trust fund made in section 23 of the annual general appropriation act, for the fiscal year beginning July 1, 2008, shall be decreased by one hundred twenty-eight thousand seven hundred dollars (\$128,700).

SECTION 3. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Peter C. Groff
PRESIDENT OF
THE SENATE

Andrew Romanoff
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____

Bill Ritter, Jr.
GOVERNOR OF THE STATE OF COLORADO